UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION IX U.S. EPA Docket No. 94 IN THE MATTER OF: King Neptune Lead Site Bell Gardens, California Proceeding under Section 122(g)(4) of the Comprehensive Environmental ADMINISTRATIVE ORDER Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. §9622(g)(4) ON CONSENT 

### I. JURISDICTION

- This Administrative Order on Consent ("Consent Order") 1. is issued pursuant to the authority vested in the President of the United States by Section 122(g)(4) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986 ("CERCLA"), Pub. L. No. 99-499, 42 U.S.C. \$9622(g)(4), in order to settle specified Environmental Protection Agency ("EPA") claims under Section 106(a) of CERCLA, 42 U.S.C. \$\$9606(a) or 9607(a). The authority vested in the President has been delegated to the Administrator of the United States EPA by Executive Order 12580, 52 Fed. Reg. 2923 (Jan. 29, 1987), further delegated to the Regional Administrators of EPA by EPA Delegation No. 14-14-E (issued Sept. 13, 1987, amended by memorandum June 17, 1988), and further delegated to the Hazardous Waste Management Division Director by Regional Order R290.45 (October 26, 1988).
- 2. This Administrative Order on Consent is issued to each person identified in Appendix A ("Respondents") and each entity identified in Appendix B ("Settling Federal Agencies").

  Appendices A and B are incorporated herein by reference. The Respondents identified in Appendix A and Settling Federal Agencies identified in Appendix B ("Settling Parties") each certify that they contributed no more than 4% of the total waste sent to the King Neptune Lead Site in Bell Gardens, California ("the Site"), and that they contributed waste of minimal toxic and hazardous effect in comparison to the total waste at the Site. This Consent Order provides for the reimbursement of

response costs which have been or may be incurred in response to releases or threatened releases of hazardous substances, pollutants or contaminants at the Site.

- 3. This Consent Order was executed by EPA and the Settling Parties in good faith to avoid the expense and delay of litigation over the matters addressed by this Consent Order. Each Settling Party agrees to undertake all actions required by the terms and conditions of this Consent Order. Each Settling Party further consents to and will not contest EPA's jurisdiction to issue this Consent Order or to implement or enforce its terms.
- 4. EPA and the Settling Parties agree that this Consent Order is entered into without any admission of liability for any purpose as to any matter arising out of the transactions or occurrences alleged in the Order.

### II. STATEMENT OF PURPOSE

- 5. By entering into this Consent Order, the mutual objectives of EPA and Settling Parties are:
- a. to reach a final settlement between EPA and the Settling Parties at the Site that allows the Settling Parties to settle their alleged liability for response costs that EPA has incurred or may incur at or in connection with the Site, in exchange for a release from further civil liabilities in connection with the Site, thereby avoiding difficult, prolonged, and complicated litigation between the United States and the Respondents;
- b. to simplify any remaining enforcement activities concerning the Site by eliminating a substantial number of parties from further involvement in the case; and

c. to reimburse EPA for the Settling Parties' share of liabilities in connection with the Site and to reduce the alleged potential liabilities of the other potentially responsible parties without waiving EPA's assertion of joint and several liability against any parties who are not signatories to this settlement.

### III. PARTIES BOUND

- 6. This Consent Order shall apply to and be binding upon EPA and each Respondent and their successors. Each signatory to this Consent Order represents that he or she is fully authorized to enter into the terms and conditions of this Consent Order and to legally bind the party represented by him or her. Any change in ownership or corporate status of a Respondent including, but not limited to, any transfer of assets or real or personal property, shall in no way alter such Respondent's responsibilities under this Consent Order.
- 7. This Consent Order shall apply to and be binding upon EPA and each Settling Federal Agency. Each signatory to this Consent Order represents that he or she is fully authorized to enter into the terms and conditions of this Consent Order and to legally bind the federal agency, department or instrumentality represented by him or her.

### IV. <u>DEFINITIONS</u>

8. Unless otherwise expressly provided herein, terms used in this Consent Order that are defined in CERCLA or in regulations promulgated under CERCLA shall have the meaning assigned to them in the statute or regulations. Whenever the terms listed below are used in this Order, including the attached

1 appendices, the following definitions shall apply:

- a. "CERCLA" shall mean the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. §§9601, et seq.
- b. "Administrative Order on Consent" shall mean this
  "Consent Order" or "Order" and all appendices attached hereto.

  In the event of conflict between this Order and any appendix, the
  Order shall control.
- c. "EPA" shall mean the United States Environmental Protection Agency and any successor departments or agencies.
  - d. "Parties" shall mean "EPA" and the "Settling Parties."
- e. "Past response costs" shall mean those costs, including but not limited to, direct and indirect costs and interest, incurred by EPA in connection with the Site.
- f. "Paragraph" shall mean a portion of this Consent Order identified by an Arabic numeral.
- g. "Respondent" or "Respondents" shall mean those persons, corporations, and other entities listed in Appendix A.
- h. "Section" shall mean a portion of this Consent Order identified by a Roman numeral.
- i. "Settling Federal Agency" or "Settling Federal Agencies" shall mean those agencies, departments or instrumentalities of the United States listed in Appendix B.
- j. "Settling Party" or "Settling Parties" shall mean both the "Respondents" listed in Appendix A and the "Settling Federal Agencies" listed in Appendix B.
- k. "Site" shall mean the King Neptune Lead Site, located in Bell Gardens, California, including all land used for the King

Neptune Lead facility operations.

1. "United States" shall mean the United States of America, its agencies, departments, and instrumentalities.

### V. STATEMENT OF FACTS

- 9. King Neptune Industries ("KNI") operated a lead smelter at 7745 Scout Avenue, Bell Gardens, California from 1955 until 1992. KNI's smelter was located inside a large building in the backyard of a single family residence. The property was located in a residential neighborhood with nearby family dwellings bordering the smelter. The KNI property is owned by Mr. Fred Teurman Sr. and operated by his two sons, Fred Teurman Jr. and Ronald Teurman.
- 10. EPA's investigation of business records at the Site revealed business receipts and invoices substantiating 751 transactions between KNI and 235 California Hospitals and Medical Centers. Approximately 342,963 pounds of lead was delivered to KNI's smelter and was melted down into scuba diving weights and deep sea fishing weights.
- 11. The KNI Site business records referred to the lead containers found on the Site as "lead pigs". The medical facilities originally acquired the "lead pig" containers in conjunction with radioactive isotopes which they received from pharmaceutical suppliers. The medical facilities kept radioactive isotopes inside these "lead pigs" while they were in storage. The medical facilities used the radioactive isotopes for use in cancer treatment and radiation diagnosis.
- 12. Hazardous substances within the definition of Section 28 101(14) of CERCLA, 42 U.S.C. \$9601(14), have been or are

threatened to be released into the environment at or from the Site. The contaminant at the Site is primarily lead.

- 13. EPA conducted a Preliminary Assessment to sample the surface and subsurface soil. Lead levels of the surface soil samples taken from surrounding areas near the smelter building exceeded 11,000 ppm lead. The lead concentrations of samples taken from the building exceeding 500,000 ppm lead. Lead-contaminated soils were also found in the backyard of an adjacent residence, along the sidewalk, and in the alley bordering KNI's property. The depth of lead contamination was limited to the upper six inches of soil.
- 14. The analysis data from previous soil sampling conducted by the Los Angeles Department of Health Services (LADHS) also showed that the KNI's property and the adjacent properties had extensive lead contamination.
- 15. The measured lead levels in the environmental samples taken at and near the site were significantly elevated. Human exposure to high levels of lead over a period of years can cause decreased hemo-biosynthesis and damage the central nervous, hematologic, gastrointestinal, and renal systems. In accordance with the National Contingency Plan, the EPA On-Scene Coordinator, Daniel Shane, designated this site an imminent and substantial endangerment to human health and the environment.
- 16. On May 11, 1992, EPA began the removal action. The EPA On Scene Coordinator was supported by the Technical Assistance Team contractor and the United States Coast Guard Pacific Strike Team. The removal action involved the gross decontamination of the smelter building; building demolition; excavation of lead-

contaminated soils; air monitoring; and transportation and disposal of contaminated soils, debris, and smelter equipment. The soil cleanup level was established at 500 ppm lead. This was based on EPA's "Interim Guidance On Establishing Soil Lead Cleanup Levels at Superfund Sites" which sets forth an interim soil cleanup level for total lead ranging from 500 to 1,000 ppm. The most protective cleanup level was selected because the site was located in a residential area.

17. Once emptied, the interior of the smelter building was decontaminated using a high pressure washer. During this process, a lead-sludge like substance continued oozing through the walls. Analytical results from samples taken from the plaster walls and wood rafters revealed that the building materials were highly impregnated with lead contaminants. Since it was not feasible to decontaminate the structure, the building was demolished.

18. Excavation of lead-contaminated soil began on June 8, 1992 and was completed on June 17, 1992. As the excavation of contaminated soils progressed, EPA verified that the 500 ppm cleanup level for lead was achieved. A total of 15 roll-off boxes were loaded with contaminated soil and debris and transported to the city-owned lot for interim storage. The excavated areas were backfilled with clean soil. A total of 182 cubic yards of lead-contaminated soil was disposed of by landfilling at U.S. Ecology in Beatty, Nevada. The disposal facility used a cement fixation process to treat the soils prior to landfilling. Treatment was required to comply with Land Disposal Regulations (LDRs) pursuant to the Resource Conservation

and Recovery Act (RCRA). Approximately 540 cubic yards of lead-contaminated debris was also landfilled at U.S. Ecology. An estimated 9,000 lbs of raw lead wastes were sent to Encycle in Corpus Christi, Texas for recycling. In addition, 100 lbs of PCB light ballasts found in the trash were disposed of at U.S. Ecology.

- 19. In response to a release or threatened release of hazardous substances into the environment, EPA has undertaken response action at the Site under Section 104 of CERCLA, 42 U.S.C. §9604.
- 20. In performing this response action, EPA has incurred response costs at or in connection with the Site. As of April 1, 1994, EPA has incurred at least \$582,452 in past costs.
- 21. Information currently known to EPA indicates that each Settling Party listed in Appendix A or Appendix B to this Consent Order arranged for disposal or treatment at the Site, or arranged with a transporter for disposal or treatment at the Site, of a hazardous substance owned or possessed by such Settling Party, or accepted a hazardous substance for transport to the Site.
- 22. Information currently known to EPA indicates that the amount of hazardous substances contributed to the Site by each Settling Party does not exceed 4% of the hazardous substances at the Site, and that the hazardous substances contributed by each Settling Party to the Site are not significantly more toxic or of significantly greater hazardous effect than other hazardous substances at the Site.
- 23. In developing the settlement embodied in this Consent Order, EPA has considered the potential costs of removing

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contamination at or in connection with the Site, or any costs which may be incurred if EPA determines that the removal action is not protective of human health and the environment. Payments required to be made by each Settling Party pursuant to this consent Order are a minor portion of the total federal response costs at the Site which EPA, based upon currently available information, estimates to be approximately \$582,452.

### VI. <u>DETERMINATIONS</u>

- 24. Based upon the Findings of Fact set forth above, EPA has made the following determinations:
- a. The King Neptune Lead Site is a "facility" as that term is defined in Section 101(9) of CERCLA, 42 U.S.C. §9601(9).
- b. Each Settling Party is a "person" as that term is defined in Section 101(21) of CERCLA, 42 U.S.C. \$9601(21).
- c. Each Settling Party is a potentially responsible party within the meaning of Sections 107(a) and 122(g)(1) of CERCLA, 42 U.S.C. §§9607(a) and 9622(g)(1).
- d. There has been an actual or threatened "release" of a hazardous substance from the Site as that term is defined in Section 101(22) of CERCLA, 42 U.S.C. \$9601(22).
- e. Prompt settlement with the Settling Parties is practicable and in the public interest within the meaning of Section 122(g)(1) of CERCLA, 42 U.S.C. \$9622(g)(1).
- f. The amount of hazardous substances contributed to the Site by each Settling Party and the toxic or other hazardous effects of the hazardous substances contributed to the Site by each Settling Party are minimal in comparison to other hazardous substances at the Site as required by Section 122(g)(1)(A) of

CERCLA, 42 U.S.C. \$9622(g)(1)(A).

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### VII. ORDER

25. Based upon the Findings of Fact and Determinations set forth above, and in consideration of the promises and covenants set forth herein, it is hereby AGREED AND ORDERED as follows.

### VIII. PAYMENT

- 26. Each Settling Party shall pay the amount set forth in the column opposite its name in Appendix A or Appendix B to this Consent Order in accordance with the provisions of this Section. The total amount to be paid by each Settling Party includes a payment for each Settling Party's share of: a) past response costs incurred by EPA at or in connection with the Site; b) a small charge, \$5,100, to cover the estimated cost to complete this project. Each Settling Party's payment for these two cost categories is set forth in Appendix A or B.
- 27. Within 30 days of the receipt of this Order, each Respondent shall pay to the Hazardous Substance Superfund the amount set forth in Appendix A to this Order. Each payment shall be made by certified or cashier's check made payable to the Hazardous Substance Trust Fund. Each check shall reference the King Neptune Lead Site, #9T3B, the name and address of the Respondent, and the EPA docket number 94-13, and shall be sent to:
  - U.S. Environmental Protection Agency, Region IX P-4-3, Superfund Accounting, King Neptune Lead Site U.S. Environmental Protection Agency, 75 Hawthorne Street (H-6-2) San Francisco, California 94105
- 28. Within 30 days of the receipt of this Order, each Settling Federal Agency shall pay or cause to have paid on behalf

of them through the judgment fund to the Hazardous Substance Superfund the amount set forth in Appendix B to this Order. Each payment shall reference the King Neptune Lead Site, #9T3B, the name and address of the Settling Federal Agency, and the EPA docket number 94-13, and shall be sent to:

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U.S. Environmental Protection Agency, Region IX P-4-3, Superfund Accounting, King Neptune Lead Site U.S. Environmental Protection Agency, 75 Hawthorne Street (H=6-2) San Francisco, California 94105

- 29. No provision of this order shall be interpreted as or constitute a commitment or requirement that any Settling Federal Agency obligate or pay funds in contravention of the Anti-Deficiency Act, 31 U.S.C. §1341.
- 30. Each Settling Party shall simultaneously send a copy of its check to:

William J. Weis III H-8-4 U.S. Environmental Protection Agency, Region IX 75 Hawthorne Street San Francisco, California 94105 (415) 744-2297

### IX. CIVIL PENALTIES

31. In addition to any other remedies or sanctions available to EPA, any Respondent who fails or refuses to comply with any term or condition of this Consent Order shall be subject to a civil penalty of up to \$25,000 per day for each failure or refusal pursuant to Section 109 and 122(1) of CERCLA, 42 U.S.C. \$\$9609 and 9622(1).

### X. <u>CERTIFICATION OF SETTLING PARTY</u>

32. Each Settling Party certifies individually that it has reviewed the records provided by EPA relating to the Site, that it has conducted a thorough, comprehensive, good faith search of

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its records, and to the best of its knowledge and belief, it has no other information in its possession, or in the possession of its officers, directors, employees, contractors, or agents which is at variance in any way to the information provided by EPA relating to the quantity and toxicity of material containing hazardous substances disposed of at or in connection with the Site. Should any Settling Party have information which is at variance to the information provided by EPA, each such Settling Party is required to submit that information to EPA. Provision of false, fictitious, or fraudulent statements or representations to the United States may subject a Settling Party to criminal penalties under 18 U.S.C. § 1001.

### XI. COVENANTS BY EPA

In consideration of the payments that will be made by 33. the Respondents under the terms of this Consent Order, and except as specifically provided in Section XIII of this Consent Order, EPA covenants not to sue or take administrative action against any of the Respondents pursuant to Sections 106(a) or 107(a) of CERCLA, 42 U.S.C. §§9606(a) or 9607(a), relating to the Site. These covenants not to sue shall take effect with respect to each Respondent upon the effective date of this AOC and the receipt by EPA of the payment from that Respondent required by Section VIII of this Consent Order. With respect to each Respondent, these covenants not to sue are conditioned upon the complete and satisfactory performance by that Respondent of its obligations under this Consent Order. These covenants not to sue extend only to the Respondents and their successors and do not extend to any other person.

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In consideration of the payments that will be made by 34. the Settling Federal Agencies under the terms of this Consent Order, and except as specifically provided in Section XIII of this Consent Order, EPA covenants not to take administrative action against any of the Settling Federal Agencies pursuant to Sections 106(a) or 107(a) of CERCLA, 42 U.S.C. \$\$9606(a) or 9607(a), relating to the Site. These covenants not to take administrative action shall take effect with respect to each Settling Federal Agency upon the effective date of this AOC and upon payment from that Settling Federal Agency required by Section VIII of this Consent Order. With respect to each Settling Federal Agency, these covenants not to take administrative action are conditioned upon the complete and satisfactory performance by that Settling Federal Agency of its obligations under this Consent Order.

### XII. COVENANTS NOT TO SUE BY SETTLING PARTIES

- 35. In consideration of EPA's covenant not to sue set forth in Section XI, the Respondents covenant not to sue and agree not to assert any claims or causes of action against the United States, its agencies, officers, employees or representatives with respect to the Site or this Consent Order, including, but not limited to, any direct or indirect claim under Sections 106(b)(2), 107, 111, 112, or 113 of CERCLA, 42 U.S.C. \$\$9606(b)(2), 9607, 9611, 9612, or 9613, or any other provision of law, or any claims arising out of response activities at the Site.
- 36. In consideration of the Respondents' covenant not to sue set forth in Paragraph 35, the Settling Federal Agencies

covenant not to sue and agree not to assert any claims or causes of action against the Respondents with respect to the Site or this Consent Order, including, but not limited to, any direct or indirect claim under Sections 106(b)(2), 107, 111, 112, or 113 of CERCLA, 42 U.S.C. \$\$9606(b)(2), 9607, 9611, 9612, or 9613, or any other provision of law, or any claims arising out of response activities at the Site.

37. The Settling Parties also agree not to make any claims for reimbursement from the Hazardous Substance Superfund (established pursuant to the Internal Revenue Code, 26 U.S.C. 9507). Nothing in this Consent Order shall be deemed to constitute preauthorization of a claim within the meaning of Sections 111 or 112 of CERCLA, 42 U.S.C. \$\$9611 and 9612, or 40 C.F.R. \$300.700(d).

### XIII. RESERVATIONS OF RIGHTS

- 38. The Covenants Not to Sue by EPA set forth in Section XI of this Consent Order do not pertain to any matters other than those expressly specified therein. The United States, including EPA, reserves, and this Consent Order is without prejudice to, all rights against Settling Parties with respect to all other matters, including but not limited to the following:
- a) claims based on a failure to make the payments required by Section VIII of this Consent Order;
  - b) criminal liability;

- c) liability for damages for injury to, destruction of, or loss of natural resources;
  - d) liability for future disposal at the Site; or
  - e) liability arising from the past, present, or future

1 disposal, release or threat of release of hazardous substances outside of the Site.

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39. Nothing in this Consent Order constitutes a covenant not to sue or to take action or otherwise limits the ability of the United States, including EPA, to seek or obtain further relief from any Respondent or Settling Federal Agency if information not currently known to the EPA is discovered which indicates that any Settling Party contributed hazardous substances to the Site in such greater amount or of such greater toxic or other hazardous effects that the Settling Party no longer qualifies as a de minimis party at the Site because the Settling Party contributed greater than 4% of the waste at the Site or contributed wastes which are significantly more toxic or are of significantly greater hazardous effect than other hazardous substances at the Site.

#### XIV. EFFECT OF SETTLEMENT; CONTRIBUTION PROTECTION

- 40. Nothing in this Consent Order shall be construed to create any rights in, or grant any cause of action to, any person not a party to this Consent Order. The preceding sentence shall not be construed to waive or nullify any rights that any person not a signatory to this Consent Order may have under applicable The United States, including EPA, and the Settling Parties each reserve any and all rights (including, but not limited to, any right to contribution), defenses, claims, demands, and causes of action which each party may have with respect to any matter, transaction, or occurrence relating in any way to the Site against any person not a party hereto.
  - 41. The Parties agree that the actions undertaken by the

1 Settling Parties in accordance with this Consent Order do not constitute an admission of any liability for any purpose by any Settling Party.

Subject to the reservation of rights set forth above, the Parties agree that by entering into and carrying out the terms of this Consent order, each Settling Party will have resolved its liability to the United States relating to the site pursuant to Sections 113(f)(2) and 122(g)(5) of CERCLA, 42 U.S.C. \$\$9613(f)(2) and 9622(g)(5). With regard to claims for contribution against each Settling Party for matters addressed by this Consent Order, the Parties hereto agree that each Settling Party is entitled, as of the effective date of this Consent Order, to such protection from contribution actions or claims as is provided by Sections 113(f)(2) and 122(g)(5) of CERCLA, 42 U.S.C.  $\S\S9613(f)(2)$  and 9622(g)(5).

#### PUBLIC COMMENT IV.

This Consent Order shall be subject to a thirty-day 43. public comment period pursuant to Section 122(i) of CERCLA, 42 U.S.C. §9622(i). In accordance with Section 122(i)(3) of CERCLA, 42 U.S.C. §9622(i)(3), EPA may withdraw or modify consent to this Consent Order if comments received disclose facts or considerations which indicate that this Consent Order is inappropriate, improper, or inadequate.

#### ATTORNEY GENERAL APPROVAL XVI.

44. The Attorney General or her designee has issued prior written approval of the settlement embodied in this Consent Order in accordance with Section 122(g)(4) of CERCLA.

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EFFECTIVE DATE

45. The effective date of this Consent Order shall be the date upon which the public comment period pursuant to Section XV of this Consent Order has closed and EPA's determination that comments received, if any, do not require modification of or EPA withdrawal from this Consent Order. Once EPA makes this determination, EPA will cash the checks of each Settling Party, and the Settling Party's cancelled check will be the Settling Party's proof of participation in this settlement.

12 IT IS SO AGREED AND ORDERED:

14 [Settling Party]

16 By: \_\_\_\_\_

7 [Name]

[Date]

[Date]

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2	U.S. Environmental Protection Agency	
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4	By: Anglius	11-22-4
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6	Director, Hazardous Waste Management	Division
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